

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6604

BILL NUMBER: SB 179

NOTE PREPARED: Dec 12, 2006

BILL AMENDED:

SUBJECT: Maximum Age for Firefighter Appointment.

FIRST AUTHOR: Sen. Weatherwax

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill increases the maximum age for appointment as a firefighter from 36 to 42 years of age.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: It is not known how many firefighters would be hired between the ages of 36 and 42 as a result of this proposal. However, the cost as a percent of salary of a first class officer would be higher for a member hired at age 42 than for a member hired at age 36. Specifically, the cost as a percent of salary of a first class officer would increase from 27.3% for a member hired at age 36 to 28.5% for a member hired at age 42. There would be a cost decrease in retirement benefits. However, the potential savings from retirement benefits is expected to be more than offset by cost increases for disability benefits and death benefits.

Explanation of Local Revenues:

State Agencies Affected: Public Employees' Retirement Fund as administrators of the 1977 Police Officers' and Firefighters' Disability Fund.

Local Agencies Affected: Local units with firefighter members in the 1977 Police Officers' and Firefighters'

Disability Fund.

Information Sources: Doug Todd of McCready & Keane, Inc., actuaries for PERF, and the Police and Fire Funds, 317-576-1508.

Fiscal Analyst: Chris Baker, 317-232-9851.